

## TITLE 19 - CUSTOMS DUTIES

### CHAPTER I - BUREAU OF CUSTOMS AND BORDER PROTECTION, DEPARTMENT OF HOMELAND SECURITY; DEPARTMENT OF THE TREASURY

#### PART 191 - DRAWBACK

##### subpart s - DRAWBACK COMPLIANCE PROGRAM

#### Appendix A to Part 191 - General Manufacturing Drawback Rulings

General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(a) for Burlap or Other Textile Material (T.D. 83-53)  
General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(a) for Flaxseed (T.D. 83-80)  
General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(a) for Fur Skins or Fur Skin Articles (T.D. 83-77)  
General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(b) for Orange Juice (T.D. 85-110)  
General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(b) for Raw Sugar (T.D. 83-59)  
General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(b) for Sugar (T.D. 81-92)

XIII. General Manufacturing Drawback Ruling Under [19 U.S.C. 1313](#)(b) for Sugar (T.D. 8192) A. Same Kind and Quality (Parallel Columns) Imported Merchandise or Drawback Duty-Paid, Duty-Free or Products \1\ to be Designated as the Domestic Merchandise of the Basis for Drawback on the Exported Same Kind and Quality as that Products. Designated which will be Used in the Production of the Exported Products.

1. Granulated or liquid sugar for 1. Granulated or liquid sugar manufacturing, containing sugar solids for manufacturing, containing of not less than 99.5 sugar degrees. sugar solids of not less than 99.5 sugar degrees.

2. Granulated or liquid sugar for 2. Granulated or liquid sugar manufacturing, containing sugar solids for manufacturing, containing of less than 99.5 sugar degrees. sugar solids of less than 99.5 sugar degrees.

\1\ Drawback products are those produced in the United States in accordance with the drawback law and regulations. Such products have ``dual status" under section 1313(b). They may be designated as the basis for drawback and also may be deemed to be domestic merchandise.

The sugars listed above test within three-tenths of a degree on the polariscope. Sugars in each column are completely interchangeable with the sugars directly opposite and designation will be made on this basis only. The designated sugar on which claims for drawback will be based will be so similar in quality to the sugar used in manufacture of the products exported with drawback that the sugar used in manufacture would, if imported, be subject to the same amount of duty paid on a like quantity of designated sugar. Differences in value resulting from factors other than quality, such as market fluctuation, will not affect the allowance of drawback.

B. Exported Articles on Which Drawback Will Be Claimed Edible substances (including confectionery) and/or beverages and/or ingredients therefor.

C. General Statement The manufacturer or producer manufactures or produces for its own account. The manufacturer or producer may manufacture or produce articles for the account of another or another manufacturer or producer may manufacture or produce for the account of the manufacturer or producer under contract within the principal and agency relationship outlined in T.D.'s 55027(2) and 55207(1) (see 191.9 of this part).

D. Process of Manufacture or Production The sugars are subjected to one or more of the following operations to form the desired product(s): 1. Mixing with other substances, 2. Cooking with other substances 3. Boiling with other substances, 4. Baking with other substances, 5. Additional similar processes E. Multiple Products Not applicable.

F. Waste No drawback is payable on any waste which results from the manufacturing operation. Unless the claim for drawback is based on the quantity of sugar appearing in the exported articles, records will be maintained to establish the value (or the lack of value), the quantity, and the disposition of any waste that results from manufacturing the exported articles. If no waste results, records to establish that fact will be maintained.

G. Loss or Gain The manufacturer or producer will maintain records showing the extent of any loss or gain in net weight or measurement of the sugar caused by atmospheric conditions, chemical reactions, or other factors.

H. Tradeoff The use of any domestic merchandise acquired in exchange for imported merchandise that meets the same kind and quality specifications contained in the parallel columns of this general ruling shall be treated as use of the imported merchandise if no certificate of delivery is issued covering the imported merchandise ([19 U.S.C. 1313](#)(k)) upon compliance with the applicable regulations and rulings.

I. Procedures And Records Maintained Records will be maintained to establish: 1. The identity and specifications of the designated merchandise; 2. The quantity of merchandise of the same kind and quality as the designated merchandise 2 used to produce the exported articles; 2 If claims are to be made on an appearing in basis, the remainder of this sentence should read appearing in the exported articles produced.

3. That, within 3 years after receiving the designated merchandise at its factory, the manufacturer or producer used the merchandise to produce articles. During the same 3-year period, the manufacturer or producer produced 3 the exported articles.

To obtain drawback the claimant must establish that the completed articles were exported within 5 years after the importation of the imported merchandise. Records establishing compliance with these requirements will be available for audit by Customs during business hours. Drawback is not payable without proof of compliance.

3 The date of production is the date an article is completed.

J. Inventory Procedures The inventory records of the manufacturer or producer will show how the drawback recordkeeping requirements set forth in [19 U.S.C. 1313](#)(b) and part 191 of the Customs Regulations will be met, as discussed under the heading Procedures And Records Maintained. If those records do not establish satisfaction of those legal requirements, drawback cannot be paid.

K. Basis of Claim for Drawback Drawback will be claimed on the quantity of sugar used in producing the exported articles only if there is no waste or valueless or unrecovered waste in the manufacturing operation. Drawback may be claimed on the quantity of eligible sugar that appears in the exported articles regardless of whether there is waste, and no records of waste need be maintained. If there is valuable waste recovered from the manufacturing operation and records are kept which show the quantity and value of the waste, drawback may be claimed on the quantity of eligible material used to produce the exported articles less the amount of that sugar which the value of the waste would replace.

L. General Requirements The manufacturer or producer will: 1. Comply fully with the terms of this general ruling when claiming drawback; 2. Open its factory and records for examination at all reasonable hours by authorized Government officers; 3. Keep its drawback related records and supporting data for at least 3 years from the date of payment of any drawback claim predicated in whole or in part upon this general ruling; 4. Keep its letter of notification of intent to operate under this general ruling current by reporting promptly to the drawback office which liquidates its claims any changes in the information required by the General Instructions of this Appendix to be included therein (I.

General Instructions, 1 through 9) or the corporate name or corporate organization by succession or reincorporation; 5. Keep a copy of this general ruling on file for ready reference by employees and require all officials and employees concerned to familiarize themselves with the provisions of this general ruling; and 6. Issue instructions to insure proper compliance with title 19, United States Code, section 1313, part 191 of the Customs Regulations and this general ruling.